



TALKING POINTS: Democrats Plan to Raise Taxes

OUR PRINCIPLE: *Tax relief both puts more money back in the pockets of the Americans who earned it, and continues to spur today's strong and resilient economy.*

In a brazen first act of the new Congress, Democrats may propose to turn back the clock and make it easier to raise our taxes. They also propose changes to allow stealth, retroactive tax increases. And the top House Democrat tax expert has already pledged across-the-board tax increases at all income levels.

Tax-and-Spend is back again: in the 12 years since Democrats have been out of power, absolutely nothing has changed. They still fail to understand that tax dollars belong to taxpayers, not tax collectors.

Opening Act: Democrats' lead action may be to make it easier to raise taxes. In their first major policy act as the new House majority, Democrats plan to repeal the rule requiring all income tax hikes to be approved by three-fifths vote of the House. Taxpayers would be susceptible to a tax increase through a simple majority vote.

- The three-fifths rule, a major plank of the Contract with America, was enacted at the start of the 104th Congress in 1995. (H.Res. 6, 1/5/95)

Democrats propose to repeal Republican ban on retroactive tax increases. The Democrat proposal will allow the taxman to dip into our wallets on income that's already been taxed.

- The ban on retroactive tax increases was another plank of the Contract with America and was enacted at the start of the 104th Congress. (H.Res. 6, 1/5/95)

Democrats want PAYGO so they can raise taxes, not cut spending. Raising taxes on hardworking Americans – as Democrats plan to do – is not a demonstration of fiscal discipline; instead, it's a recipe for more spending and bigger government. Americans deserve to know the price tag for Democrat PAYGO.

- Republicans believe PAYGO should be a tool for spending cuts, not an excuse for tax increases.

Incoming Ways and Means Chairman supports tax hikes. New York Rep. Charlie Rangel: "No Question About It."

- "Asked whether Democrats would consider raising taxes across the whole spectrum of income, Mr. Rangel said, 'No question about it.'" (*The Washington Times*, 10/13/06)